

is opening the Senate today. This will have an impact on my life, always, having known him and suddenly his life is snuffed out. I am a better person for having known Governor Carnahan. The people of Missouri are better off as a result of his service. I wish Godspeed to the people of Missouri and the Carnahan family.

Mr. VOINOVICH. Mr. President, I would be remiss if I did not also mention that I was asked by Senator KIT BOND and Senator ASHCROFT to also publicly express their sympathies to the people of Missouri on the death of Mel Carnahan. Both Senator ASHCROFT and Senator BOND served as Governors of the State of Missouri and knew Mel Carnahan quite well. We know there was a campaign going on, and I am sure this is also very heavy on JOHN ASHCROFT.

Mr. DORGAN. Mr. President, I wish to make a comment about the tragic death last evening of Governor Carnahan of Missouri. Governor Carnahan, of course, was also a candidate for the Senate, a Governor of Missouri, Lieutenant Governor, and a distinguished officeholder for many years in the State of Missouri. His tragic death last evening is something that obviously allows all to say to his family, his widow, and the folks who were his friends and relatives, that our thoughts and prayers are with them. It is a difficult time, I know. This is a man who gave so much service to his country and such distinguished service to our country.

My thoughts are with him and his family this morning.

Mr. BAUCUS. Mr. President, I extend my deepest personal sympathies to Mel Carnahan's family. He was tragically killed in a plane crash last night. All Members want to serve our country as well as we possibly can. We go the extra mile to serve our people. We all know the dangers inherent with flying in small aircraft to try to attend political events and try to make meetings on schedules that are very uncertain.

All in the Senate are particularly grieved in this tragedy. We extend our most heartfelt sympathies to the Governor's wife, his family, to his campaign team, and all who were involved. It is difficult to explain how deeply we feel about this.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER (Mr. VOINOVICH). In my capacity as a Senator from the State of Ohio, I ask unanimous consent that the order for the quorum call be rescinded.

Without objection, it is so ordered.

RECESS

The PRESIDING OFFICER. I ask unanimous consent that the Senate

now recess until the hour of 11 a.m., and further that Senator DORGAN be recognized at 11 for up to 30 minutes.

Without objection, it is so ordered.

There being no objection, the Senate, at 10:22 a.m., recessed until 11:03 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. ROBERTS).

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, the Senator from Montana, Mr. BAUCUS, wishes to make a presentation on the Agriculture appropriations bill. I intend to make a longer presentation. I ask he be recognized; that following his presentation, I be recognized in the regular order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The distinguished Senator from Montana is recognized.

RETIREMENT SECURITY

Mr. BAUCUS. Mr. President, I rise to urge that Congress enact the Retirement Security and Savings Act, which has passed the House and been reported unanimously by the Senate Finance Committee. This is a balanced, bipartisan bill. It will encourage people to set their own money aside for retirement, by reforming the private pension rules and increasing the amount that people can put in an individual retirement account. It also will create two important new savings incentives. One is a tax credit for small businesses that set up pension programs for their employees. The other is a tax credit for low and middle income people who save for their own retirement. If, before adjourning, we can find a way to enact this bill, it will be a significant addition to the record of the 106th Congress. Let me explain why.

The American people have many wonderful qualities. But, these days, unfortunately, thrift is not one of them. During the last 20 years, personal savings rates have consistently declined, from 9 percent of GDP in the 1970s to less than 1 percent now. In fact, the preliminary net personal savings rate for August is the lowest rate since the Commerce Department began keeping records in 1959. So what? Why does this matter?

In the first place, a low savings rate means that less capital is available for new investments. Perhaps that is not a pressing issue right now, with a booming economy. But it should be. Over the long run, a low cost of capital is es-

sential to our international competitiveness. On top of that, a low savings rate means that people aren't putting their own money away for retirement. That makes them more dependent on Social Security. In fact, 16 percent of today's retirees depend exclusively on Social Security for their retirement income, and two-thirds depend on it as their primary source of retirement income.

We need to protect Social Security. But that is not enough. After all, Social Security only replaces about 40 percent of the income earned during our working years. If retirees continue to rely so heavily on Social Security, there will still be far too many Americans spending their retirement years one step away from poverty. We need to supplement Social Security, by encouraging more Americans to save for their retirement. And we can start by passing the Retirement Security and Savings Act, as reported by the Senate Finance Committee.

As a threshold matter, the bill does two important things. First, it reforms the tax rules for pension plans. It makes pensions more portable. It strengthens pension security and enforcement. It expands coverage for small businesses. It enhances pension fairness for women. And it encourages retirement education. Second, the bill increases the contribution limits for individual retirement accounts. IRAs have proven to be a very popular way for millions of workers to save for retirement, particularly for those who do not have pension plans available through their employers. The IRA limits have not been increased since they were created almost two decades ago. An increase is long overdue. These are positive changes. However, by and large, they reinforce the conventional approach to retirement incentives. That approach can best be described as a "top down" approach. We create incentives for people with higher incomes, hoping that the so-called non-discrimination rules will give the higher paid folks an incentive to encourage more participation by others, such as through employer matching programs. I do not have a problem with this approach, as far as it goes. But it does not do enough to reach out to middle and lower income workers.

That is why I am particularly pleased that the bill goes further, by creating two new savings incentives. One creates a new incentive to encourage small businesses to establish pension plans for their employees. The other creates a new matching program to help workers save their own money for retirement. Let me discuss each in turn.

First, the incentives for small businesses. Unlike larger companies, most small business owners do not offer pension plans. While three out of every four workers at large companies are